GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3579
ANSWERED ON:21.12.2015
Industrial Growth
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of industrial growth/Index of Industrial Production (IIP) including the details of industrial sectors registering low/ negative growth rate along with the reasons therefor;

(b) the concrete steps taken by the Government to recoup the industrial production/growth and to achieve the target fixed in this regard;

(c) whether the Government proposes to provide incentives to industrial sector in various States of the country including Tamil Nadu to remove/reduce unemployment and if so, the details thereof; and

(d) whether the Government has worked out another stimulus package for labour intensive sectors and if so, the details thereof along with the impact of the previous stimulus packages?

Answer

???????? ??? ?????? ???????????? (????????? ??????)(??????? ??????? ???????)
THE MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMERCE & INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)

(a) & (b): The rate of industrial growth, measured in terms of Index of Industrial Production (IIP) increased by 4.8 per cent during April-October, 2015-16 as compared to the growth of 2.2 per cent during the same period of previous year i.e. 2014-15. All the three industrial sectors viz. mining, manufacturing and electricity have registered positive growth of 2.0 %, 5.1 % and 5.2 % respectively, during April-October, 2015-16.

The Government has taken a number of measures to increase industrial growth which, inter-alia, includes the launch of 'Make in India' programme under which 25 thrust sectors have been identified to provide a major push to industrial sector in India. The steps taken to improve ease of doing business include setting up of an Investor Facilitation Cell, launch of e-biz Mission Mode Project and liberalising policy for industrial license for defence industries. The Foreign Direct Investment (FDI) policy and procedures have been simplified and liberalised progressively. For creation of state-of-art infrastructure, Government is implementing Delhi Mumbai Industrial Corridor (DMIC) project. In addition, the Government has conceptualized Amritsar Kolkata Industrial Corridor, Chennai-Bengaluru Industrial Corridor, Bengaluru Mumbai Economic Corridor and the Vizag-Chennai Industrial Corridor (as the first phase of an East Coast Economic Corridor), and setting up a National Industrial Corridor Development Authority (NICDA) for coordinating and overseeing progress of the various industrial corridors.

(c): Incentives are given to North Eastern States under North East Industrial and Investment Promotion Policy (NEIIP) and Transport Subsidy Scheme (TSS)/Freight Subsidy Scheme (FSS). Incentives to the States of Jammu & Kashmir, Himachal Pradesh and Uttarakhand are given under Central Capital Investment Subsidy Scheme. Incentives to the State of Jammu & Kashmir are also given under Central Interest Subsidy Scheme and Central Comprehensive Insurance Subsidy Scheme.

No new proposal is under the consideration of the Government to provide incentives to industrial sector in various States of the country including Tamil Nadu to remove/reduce unemployment.

(d): The Government under section 80JJAA of the Income Tax Act provides tax incentives on additional employment in manufacturing. One of the objectives of the National Manufacturing Policy (NMP) within Make in India programme is to create 100 million additional jobs by 2022 in manufacturing sector. The focus sectors of the policy include employment-intensive industries like textiles and garments, leather and footwear, gems and jewellery and food processing industries. The labour intensive sector 'small & medium enterprises' has also been identified as focus sector. The Government is implementing Integrated Development of Leather Sector (IDLS) sub-scheme as part of the Indian Leather Development Plan (ILDP), which has significantly contributed to capacity development in the labour intensive leather sector. Mega Leather Clusters sub-scheme of ILDP is also being implemented to boost infrastructure facility and support services for production and export.

Incentives for industries, including for labour intensive industries are provided by the sectoral Ministries/Departments under their respective programmes. Sectoral Ministries/Departments in the Government are also implementing various schemes and programmes and taking measures for boosting industrial growth of respective sectors, e.g. for modernisation and technology upgradation with emphasis on powerloom segment and development of handlooms, etc. for textiles and Mega Food Parks Scheme for food processing.

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